Trade Deficit

959. SHRI SHANKER SINH VAGHELA:
SHRI PRAMOD MAHAJAN:

Will the Minister of COMMERCE be pleased to state:

(a) whether India's trade deficit during the first nine months of 1988-89 has increased to more than Rs. 6,601 crores very close to the level it reached during the whole year of 1987-88; and

(b) if so, what would be its impact on India's economy and foreign trade?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) India's trade deficit during the first 9 months of 1988-89 amounted to Rs. 6601.7 crores, whereas the trade deficit for the whole year of 1987-88 amounted to Rs. 6657.7 crores.

(b) As the trade deficit works out to around 2.5 per cent of GNP, it is unlikely to have any adverse impact on Indian economy. The increase in the trade deficit was, among other things, due to higher imports of essential commodities to meet the scarcities created by the previous years drought, the strong recovery of the economy during 1988-89 which required additional machinery, raw materials and other imported inputs to sustain high levels of industrial production, both for domestic market and export sector. While the former helped to contain the inflation in 1988-89, the latter has provided strong industrial base for generation of surplus for exports, competitive in international market both in terms of technology and prices.

Decline in export of SALT

960. SHRI SHIV PRATAP MISHRA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the export of Salt has declined during the last one year as a result of which there is a glut of Salt despite lower production;

(b) if so, the reasons for fall in export of Salt; and

(c) the steps taken to boost the export of Salt?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) No, Sir.

(b) Does not arise.

(c) Liberalisation of the Export Policy on Salt, constant review of exports to identify new areas, enlisting the assistance of Indian Missions abroad etc., are some of the steps taken to increase the exports of salt.

Inquiry into purchase of Czechoslovak Pistols

961. DR. MOHD. HASHIM KIDWAI: Will the Minister of HOME AFFAIRS be pleased to refer to the answer to Starred Question 38 given in the Rajya Sabha on the 26th April, 1988 and state:

(a) what are the findings of the CBI enquiry into the purchase of Czechoslovak pistols;

(b) whether chargesheets have been framed against those involved in this deal; and

(c) what are the reasons for the delay in taking action or launching legal proceedings against those involved in the deal?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): (a) and (b) The findings of the CBI will be known only after the investigation of the case has been concluded.

No, Sir. The case is still under investigation.

(c) The investigation of the case involves collection/examination of records and